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Publisher Fathered CIA Subsidy Policy

**Braden Says He Gave
Reuther \$50,000 To
Influence Germany's
Labor Unions**

New York, May 7 (AP) — A

California newspaper publisher revealed today that he created the Central Intelligence Agency program to subsidize student, labor and cultural groups.

And, he said, he personally gave Walter Reuther, president of the United Auto Workers, \$50,000 in CIA funds to influence West German labor unions.

"Reluctantly" Agreed

Reuther immediately replied that on one occasion the UAW had "agreed reluctantly" to the use of United States Government funds to supplement United States labor union funds which were being made available to foreign labor unions in an effort to combat Communist subversion.

Thomas W. Braden, former president of the California Board of Education, a California State college trustee and publisher of the Oceanside Blade-Tribune, wrote in an article in the *Saturday Evening Post* that without the over-all CIA program, much of Europe, especially Italy and France, "probably would have gone Communist."

Braden wrote in the *Post* that



THOMAS W. BRADEN
"It was essential"

Victor Reuther, assistant to the president of the UAW, "ought to be ashamed of himself" for complaining, according to a Drew Pearson column, that the old American Federation of Labor got money from the CIA, and spent it with "undercover techniques."

At Victor Reuther's request, Braden wrote, "I went to Detroit one morning and gave Walter \$50,000 in \$50 bills. Victor spent the money, mostly in West Germany, to bolster labor unions there. He tried 'undercover techniques' to keep me from finding out how he spent it. But I had my own 'undercover techniques.'"

Braden added: "In my opinion and that of my peers in the CIA, he spent it with less than perfect wisdom, for the German unions he chose to help weren't seriously short of money and were already anti-Communist."

Reuther said in Detroit that the labor movement in Europe was weak and without resources after World War II and especially vulnerable to Communist subversion.

The CIA money, he said, was put into European trade union funds "to intensify their educational and organization programs."

asked Victor Reuther to become a CIA agent after the money transfer incident.

"Victor Reuther emphatically rejected the request," Reuther said, and the UAW subsequently agreed never to "transmit Government funds regardless of the urgency."

"The UAW has in the past and shall in the future continue to follow a policy of fiercely defending its independence and integrity," he continued.

But to help the European labor movement, Reuther said, the UAW convention delegates voted in 1962 to put the interest accruing from their strike fund

into the Free World Labor Movement.

Later, in response to Reuther's statement, Braden said in New York: "In my opinion both Walter and Victor Reuther behaved as responsible and patriotic American citizens during a time of great crisis for the United States and the free world. I did not ask Victor to be an agent, but I do believe Victor behaved in a most responsible fashion."

Braden, in his article, defended the CIA program as successful in infiltrating everywhere international Communist fronts operated.

He wrote in the *Post's* May 2 issue that the "vast and secret operation was killed by 'small minded and resentful men.'"

"In my opinion—then and now—it was essential," he wrote. "Was it 'immoral,' 'wrong,' 'disgraceful'? Only in the sense that war itself is immoral, wrong and disgraceful. For the cold war was and is a war fought with ideas instead of bombs."

"I share the hope that John Kennedy's appeal to the Russians to 'help make the world safe for diversity' reflects the spirit of a new age," he wrote.

But I am not banking on it, and neither, in my opinion, was the late President—when an adversary attacks with his weapons disguised as good works, to choose innocence is to choose defeat. A government locked in a power struggle cannot acknowledge all the programs it must carry out to cope with its enemies."

Braden, who ran unsuccessfully last year for California lieutenant governor, said he proposed the project in 1956 while serving as an assistant to Allen Dulles, then deputy director of the CIA.

At that time, he said, the CIA, then three years old and broken into divisions with geographic responsibility, did not seem "capable of defending the United States against a new and extraordinarily successful weapon—the international Communist front."

"There were seven of these fronts," Braden said, "all immensely powerful."

He listed them as the International Association of Democratic Lawyers, the World Peace Council, the Women's International Democratic Federation, the International Union of Students, the World Federation of Democratic Youth, the International Organization of Journalists and the World Federation of Trade Unions.

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